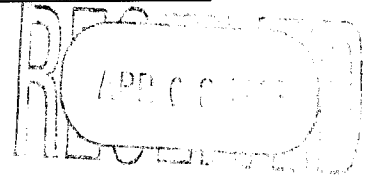


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



E-01575A
Sulphur Springs Valley Electric Cooperative, Inc.
P.O. Box 820
Willcox AZ 856440820

ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
-----------	-----------	-------------

*6/12/03
4-8-03
2002
assessment
16 updated
C.M.*

FOR COMMISSION USE

ANN 0 /	02
----------------	-----------

COMPANY INFORMATION

Company Name (Business Name) Sulphur Springs Valley Electric Cooperative, Inc.

Mailing Address P.O. Box 820

(Street)

Willcox

(City)

AZ

(State)

85644

(Zip)

(520) 384-2221

(520) 384-5223

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address brianf@ssvec.com

Local Office Mailing Address P.O. Box 820

(Street)

Willcox

(City)

AZ

(State)

85644-0820

(Zip)

(520) 384-2221

(520) 384-5223

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Creden W. Huber Chief Executive Officer

(Name)

(Title)

350 N Haskell Ave

(Street)

Willcox

(City)

AZ

(State)

85643

(Zip)

(520) 384-2221 Ext. 5500

(520) 384-5223

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address chuber@ssvec.com

On Site Manager: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: <u>Christopher Hitchcock</u>			
(Name)			
<u>#1 Copper Queen Plaza</u>	<u>Bisbee</u>	<u>AZ</u>	<u>85603</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 432-2279</u>	<u>(520) 432-5152</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

Attorney: <u>Christopher Hitchcock</u>			
(Name)			
<u>#1 Copper Queen Plaza</u>	<u>Bisbee</u>	<u>AZ</u>	<u>85603</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 432-2279</u>	<u>(520) 432-5152</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|-------------------------------------------------|---------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|------------------------------------------------|---------------------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input checked="" type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input checked="" type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

SERVICES AUTHORIZED TO PROVIDE

Check the following box/s for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

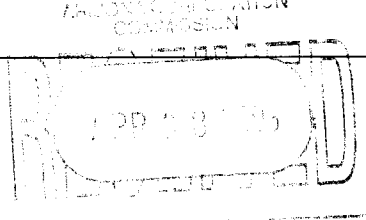
ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	43,044	
Residential	35,055	
Commercial	7,531	
Industrial	4	
Public street and highway lighting	43	
Irrigation	411	
Resale		
Total kilowatt-hours sold	596,115,987	kWh
Residential	283,801,003	
Commercial	214,407,283	
Industrial	33,261,056	
Public street and highway lighting	1,937,696	
Irrigation	62,708,949	
Resale		
Maximum Peak Load	131	MW

GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Creden W. Huber, Chief Executive Officer</u>
COMPANY NAME <u>Sulphur Springs Valley Electric Cooperative, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 57,144,051

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,485,787
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

(520) 384-2221 Ext. 5500

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3rd

DAY OF

COUNTY NAME <u>Cochise</u>	
MONTH <u>April</u>	<u>2003</u>

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 14, 2003

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION COMMISSION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	Cochise	
NAME (OWNER OR OFFICIAL)	Creden W. Huber	TITLE Chief Executive Officer
COMPANY NAME	Sulphur Springs Valley Electric Cooperative, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 28,430,811

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1,734,279.
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

SIGNATURE OF OWNER OR OFFICIAL

Creden W. Huber

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3rd

DAY OF

(SEAL)

MY COMMISSION EXPIRES May 14, 2003

NOTARY PUBLIC NAME	Charlene A. Bennett	
COUNTY NAME	Cochise	
MONTH	April	. 20 03

X

Charlene A. Bennett

SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2002) financial statements. If you do not compile these reports, the Utilities Division is supplying you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

BORROWER DESIGNATION **AZ0014**

PERIOD ENDED **12/2002**

FINANCIAL AND STATISTICAL REPORT

BORROWER NAME AND ADDRESS
SULPHUR SPRINGS VALLEY ELEC COOP

PO BOX 820
WILLCOX, AZ 84544-0820

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

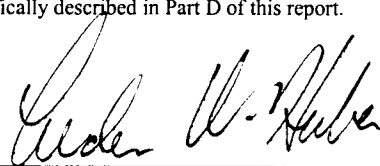
☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



KIRBY CHAPMAN, MANAGER OF FINANCE &
ADMINISTRATION

3/25/03
DATE



CREDEN W. HUBER, CHIEF EXECUTIVE
OFFICER

3/26/03
DATE

Data Error and Warning Checks

(Items that did not pass the Check)

Page

1

Borrower: SULPHUR SPRINGS VALLEY ELEC COOP (AZ0014)

Year: 2002 **Period:** 12


Signature of Authorizing Official

Manager of Finance & Administration
Title of Authorizing Official

Group: Form 7 Part A

Check ID: 710

Description: "Patronage Capital & Operating Margins" (Col. d) is generally greater than or equal to zero.

Values and rule checked: -712239.00 >= 0.00

Explanation: In December, SSVEC had an operating loss that was compounded with the expensing of conversion costs to our new billing system, as well as expensing the 2002 costs for our GIS project.

Check ID: 720

Description: "Patronage Capital or Margins" (Col. d) is generally greater than or equal to zero.

Values and rule checked: -561679.00 >= 0.00

Explanation: In December, SSVEC had an operating loss that was compounded with the expensing of conversion costs to our new billing system, as well as expensing the 2002 costs for our GIS project.

Group: Form 7 Part B

Check ID: 3240

Description: There has been a significant percentage change in the ratio of Idle Service to Total Service $[(B4(b) / B3(b))]$ compared to last year's data. Please check the figures reported for "Idle Services" and "Total Services In Place" in Part B.

Values and rule checked: 0.04 (Yr: 2001) = 0.10 (Yr: 2002)

Tolerance percentage: 70.00%

Explanation: The total number of services shown in Part O. on the 2001 Annual Form 7 was incorrect. Reported as 44,508, the corrected number is 42,241. The adjustment will bring the year-end 2001 number of idle services up to 4,075. The 2001 ratio of Idle Service to Total Service to .09, compared the 2002 ratio of .10. The figure shown in B4(a) reflects the corrected number of 2001 idle services.

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	53,381,809	57,144,051	55,578,384	4,481,033
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	29,754,375	32,556,506	31,994,580	2,754,486
4. Transmission Expense	233,787	526,169	280,968	12,696
5. Distribution Expense - Operation	4,404,156	5,921,632	5,266,805	580,223
6. Distribution Expense - Maintenance	1,389,145	2,157,068	1,606,757	297,633
7. Customer Accounts Expense	2,202,064	3,201,137	2,105,780	506,356
8. Customer Service and Informational Expense	562,424	700,923	561,811	71,585
9. Sales Expense	382,312	450,787	535,556	55,969
10. Administrative and General Expense	3,483,256	903,084	2,892,833	206,570
11. Total Operation & Maintenance Expense (2 thru 10)	42,411,519	46,417,306	45,245,090	4,485,518
12. Depreciation and Amortization Expense	4,307,148	4,574,163	4,469,520	394,929
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	420,768	531,393	460,428	54,368
15. Interest on Long-Term Debt	3,263,580	3,053,433	3,393,408	253,997
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	106,749	44,637	110,004	4,546
18. Other Deductions	43,168	69,113	60,780	(86)
19. Total Cost of Electric Service (11 thru 18)	50,552,932	54,690,045	53,739,230	5,193,272
20. Patronage Capital & Operating Margins (1 minus 19)	2,828,877	2,454,006	1,839,154	(712,239)
21. Non Operating Margins - Interest	89,132	146,763	90,000	11,077
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	(318,228)	58,730	3,996	139,483
25. Generation and Transmission Capital Credits	1,916,729	2,931,470	900,000	0
26. Other Capital Credits and Patronage Dividends	173,162	131,159	150,000	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	4,689,672	5,722,128	2,983,150	(561,679)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	912	1,737
2. Services Retired	51	98
3. Total Services in Place	46,316	47,955
4. Idle Services (Exclude Seasonal)	4,075	4,911
5. Miles Transmission	298	298
6. Miles Distribution - Overhead	3,054	3,108
7. Miles Distribution - Underground	388	442
8. Total Miles Energized (5 + 6 + 7)	3,740	3,848

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part C. Balance Sheet

ASSETS AND OTHER DEBITS

LIABILITIES AND OTHER CREDITS

1. Total Utility Plant in Service	140,373,322	29. Memberships	164,652
2. Construction Work in Progress	4,452,131	30. Patronage Capital	27,818,300
3. Total Utility Plant (1 + 2)	144,825,453	31. Operating Margins - Prior Years	(1,281,420)
4. Accum. Provision for Depreciation and Amort.	48,615,027	32. Operating Margins - Current Year	5,516,637
5. Net Utility Plant (3 - 4)	96,210,426	33. Non-Operating Margins	209,209
6. Non-Utility Property (Net)	115,029	34. Other Margins and Equities	(22,900)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	32,404,478
8. Invest. in Assoc. Org. - Patronage Capital	5,594,315	36. Long-Term Debt - RUS (Net)	37,037,963
9. Invest. in Assoc. Org. - Other - General Funds	1,000	(Payments - Unapplied)	0
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	2,179,191	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	0	38. Long-Term Debt - FFB - RUS Guaranteed	0
12. Other Investments	296,026	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	109,559	40. Long-Term Debt Other (Net)	23,334,019
14. Total Other Property & Investments (6 thru 13)	8,295,120	41. Total Long-Term Debt (36 thru 40)	60,371,982
15. Cash - General Funds	373,616	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	500	43. Accumulated Operating Provisions	669,218
17. Special Deposits	3,963	44. Total Other Noncurrent Liabilities (42 + 43)	669,218
18. Temporary Investments	0	45. Notes Payable	2,706,171
19. Notes Receivable (Net)	47,193	46. Accounts Payable	3,913,330
20. Accounts Receivable - Sales of Energy (Net)	3,501,787	47. Consumers Deposits	807,072
21. Accounts Receivable - Other (Net)	224,216	48. Current Maturities Long-Term Debt	2,222,331
22. Materials and Supplies - Electric & Other	559,502	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	344,752	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	238,530	51. Other Current and Accrued Liabilities	3,515,923
25. Total Current and Accrued Assets (15 thru 24)	5,294,059	52. Total Current & Accrued Liabilities (45 thru 51)	13,164,827
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	302,035	54. Other Deferred Credits	3,491,135
28. Total Assets and Other Debits (5+14+25 thru 27)	110,101,640	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	110,101,640

Name of Borrower		Report Year	Report Period
SULPHUR SPRINGS VALLEY ELEC COOP (AZ0014)		2002	12
Part D. Notes to Financial Statements			

- Unbilled Revenue Not Included in Part C, Line 20: \$ 1,037,629.
- Prepaid 10 Year Term Right of Way Leases amortized over 10 years: \$ 98,804.
- Deferred Debit - Inventory Overages: \$ (7,807).
- Deferred Debit - GIS Implementation: \$ 233,508.
- Deferred Credit - Consumer Advances for Construction: \$ 1,827,638.
- Deferred Credit - Joint use rents amortized over term of lease: \$ 159,599.
- Deferred Credit - Lump Sum ISAC Payments amortized over 25 years: \$ 218,795.
- Deferred Credit - Power Cost Adjuster: \$ 73,901 Debit Balance.
- Deferred Credit - Patronage Capital Uncashed: \$ 1,326,618.

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part E. Changes in Utility Plant

PLANT ITEM	Balance Beginning of Year	Additions	Retirements	Adjustments and Transfers	Balance End of Year
Distribution Plant	109,192,870	9,906,002	870,473	0	118,228,399
General Plant	9,854,394	1,037,671	10,457	(41,264)	10,840,344
Headquarters Plant	4,519,713	46,520	0	0	4,566,233
Intangibles	0	0	0	46,500	46,500
Transmission Plant	6,475,098	136,346	7,500	0	6,603,944
All Other Utility Plant	0	46,167	0	41,735	87,902
Total Utility Plant in Service (1 thru 6)	130,042,075	11,172,706	888,430	46,971	140,373,322
Construction Work in Progress	6,968,802	(2,516,671)			4,452,131
TOTAL UTILITY PLANT (7 + 8)	137,010,877	8,656,035	888,430	46,971	144,825,453

Part F. Materials and Supplies

ITEM	Balance Beginning of Year (a)	Purchased (b)	Salvaged (c)	Used (Net) (d)	Sold (e)	Adjustment (f)	Balance End of Year (g)
1. Electric	381,865	2,249,372	0	2,328,699	0	28,085	330,623
2. Other	22,252	188,918	0	168,919	0	186,628	228,879

Part G. Service Interruptions

ITEM	Avg. Hours per Consumer by Cause Power Supplier (a)	Avg. Hours per Consumer by Cause Extreme Storm (b)	Avg. Hours per Consumer by Cause Prearranged (c)	Avg. Hours per Consumer by Cause All Other (d)	TOTAL (e)
1. Present Year	0.02	0.00	0.00	1.06	1.08
2. Five-Year Average	0.29	0.00	0.01	1.50	1.80

Part H. Employee-Hour and Payroll Statistics

	Amount
1. Number of Full Time Employees	135
2. Employee - Hours Worked - Regular Time	288,005
3. Employee - Hours Worked - Overtime	13,729
4. Payroll - Expensed	4,609,372
5. Payroll - Capitalized	1,189,327
6. Payroll - Other	652,832

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

INSTRUCTIONS-See RUS Bulletin 1717B-2

12/2002

Part I. Patronage Capital

ITEM	DESCRIPTION	This Year (a)	Cumulative (b)
1. Capital Credits Distributions	a. General Retirements	1,180,395	7,784,949
	b. Special Retirements	0	149,529
	c. Total Retirements (a + b)	1,180,395	7,934,478
2. Capital Credits Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	0	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	124,932	
	c. Total Cash Received (a + b)	124,932	

Part J. Due from Consumers for Electric Service

	Amount
1. AMOUNT DUE OVER 60 DAYS	336,859
2. AMOUNT WRITTEN OFF DURING YEAR	127,160

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part K. kWh Purchased and Total Cost

Line No.	ITEM (a)	RUS Use Only Supplier Code (b)	kWh Purchased (c)	Total Cost (d)	Average Cost (Cents/kWh) (e)	Included in Total Cost Fuel Cost Adjustment (f)	Included in Total Cost Wheeling and Other Charges (or credits) (g)
1	Arizona Electric Pwr Coop, Inc (AZ0028)	796	633,206,117	32,556,506	5.14	0	0
2		0	0	0	0.00	0	0
3		0	0	0	0.00	0	0
4		0	0	0	0.00	0	0
5		0	0	0	0.00	0	0
6		0	0	0	0.00	0	0
7		0	0	0	0.00	0	0
8		0	0	0	0.00	0	0
9		0	0	0	0.00	0	0
10		0	0	0	0.00	0	0
11		0	0	0	0.00	0	0
12		0	0	0	0.00	0	0
13		0	0	0	0.00	0	0
14		0	0	0	0.00	0	0
15		0	0	0	0.00	0	0
16		0	0	0	0.00	0	0
17		0	0	0	0.00	0	0
18		0	0	0	0.00	0	0
19		0	0	0	0.00	0	0
20		0	0	0	0.00	0	0
Total			633,206,117	32,556,506	5.14	0	0

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part L. Long Term Leases

Name of Lessor (a)	Type of Property (b)	Rental This Year (c)
Not applicable		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
Total		0

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

INSTRUCTIONS-See RUS Bulletin 1717B-2

12/2002

Part M. Annual Meeting and Board Data

1. Date of Last Annual Meeting 04/18/2002	2. Total Number of Members 32,930	3. Number of Members Present at Meeting 160	4. Was Quorum Present (Y/N) ? Y
5. Number of Members Voting by Proxy or Mail 761	6. Total Number of Board Members 13	7. Total Amount of Fees and Expenses for Board Members 204,831	8. Does Manager Have Written Contract (Y/N) ? N

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part N. Long-Term Debt and Debt Service Requirements

ITEM	Balance	Billed This	Billed This	Billed This
	End of Year	Year	Year	Year
	(a)	Interest (b)	Principal (c)	Total (d)
Rural Utilities Service (Excludes RUS - Economic Development Loans)	37,037,963	1,773,515	1,540,853	3,314,368.00
National Rural Utilities Cooperative Finance Corporation	23,334,019	1,279,850	521,006	1,800,856.00
Bank for Cooperatives	0	0	0	0.00
Federal Financing Bank	0	0	0	0.00
RUS - Economic Development Loans	0	0	0	0.00
Other (List Separately)	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
	0	0	0	0.00
TOTAL	60,371,982	3,053,365	2,061,859	5,115,224.00

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part O. Power Requirements Data Base - Annual Summary

CLASSIFICATION	Consumer Sales & Revenue Data	December (a)	Average No. Consumers Served (b)	Total Year to Date (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	35,055	34,625	
	b. kWh Sold			283,801,003
	c. Revenue			28,430,811
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	411	441	
	b. kWh Sold			62,708,949
	c. Revenue			4,824,480
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	7,531	7,547	
	b. kWh Sold			214,407,283
	c. Revenue			20,220,712
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	4	4	
	b. kWh Sold			33,261,056
	c. Revenue			2,232,971
6. Public Street & Highway Lighting	a. No. Consumers Served	43	43	
	b. kWh Sold			1,937,696
	c. Revenue			387,526
7. Other Sales to Public Authorities	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
8. Sales for Resales - RUS Borrowers	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
9. Sales for Resale - Other	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
10. TOTAL No. of Consumers (lines 1a thru 9a)		43,044	42,660	
11. TOTAL kWh Sold (lines 1b thru 9b)				596,115,987
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				56,096,500
13. Other Electric Revenue				1,047,552
14. kWh - Own Use				2,237,432
15. TOTAL kWh Purchased				633,206,117
16. TOTAL kWh Generated				0
17. Cost of Purchases and Generation and Transmission Expense				33,082,675
18. Interchange - kWh - Net				0
19. System Peak - Sum Annual Peak kW Input from all Sources (Metered)				130,796

Non-coincident ☐ Coincident ☒

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

7a - Part I. Investments

Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
1. NON-UTILITY PROPERTY (NET)					
1	LAND	115,029	0		
Total: 1. NON-UTILITY PROPERTY (NET)		115,029	0		
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS					
2	PATRONAGE CAPITAL-CFC	0	628,113	0	
3	PATRONAGE CAPITAL-G & T SUPPLIER	0	4,848,200	0	
4	PATRONAGE CAPITAL-OTHER, FEDERATED, NISC, NRTC	0	118,002	0	
5	INVESTMENT IN CTCs-CFC	0	2,179,191	0	
6	INVESTMENT IN NRUC	0	1,000	0	
Total: 2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS		0	7,774,506	0	
4. OTHER INVESTMENTS					
7	EEU LOANS RECEIVABLE	296,026	0	0	
8	INVESTMENT IN ASSOCIATED ENTERPRISES	0	0	0	
Total: 4. OTHER INVESTMENTS		296,026	0	0	
5. SPECIAL FUNDS					
9	DEFERRED COMPENSATION-EMPLOYEE	0	109,559		
Total: 5. SPECIAL FUNDS		0	109,559		
6. CASH - GENERAL					
10	CASH-GENERAL FUNDS	229,772	100,000		
11	CASH-CBA MEDICAL	44,467	0		
12	CASH-PAYROLL	-621	0		
13		0	0		
Total: 6. CASH - GENERAL		273,618	100,000		
7. SPECIAL DEPOSITS					
14	OTHER UTILITIES	112	0		
15	UNITED PARCEL SERVICE	450	0		
16	SOUTHWEST WATER CO.	420	0		
17	BELLA VISTA WATER CO.	350	0		
18	STATE COMPENSATION INSURANCE FUND	0	2,630		
Total: 7. SPECIAL DEPOSITS		1,332	2,630		
9. ACCOUNTS & NOTES RECEIVABLE - NET					
19	NOTE RECEIVABLE-SIERRA VISTA OFFICE	0	47,193	0	
20	ACCOUNTS RECEIVABLE-DAMAGES	0	34,153	0	
21	ACCOUNTS RECEIVABLE-EMPLOYEES	0	3,591	0	
22	ACCOUNTS RECEIVABLE-OUTSIDE SERVICES	0	1,045	0	
23	ACCOUNTS RECEIVABLE-MISCELLANEOUS	0	178,274	0	
24	ACCOUNTS RECEIVABLE-MERCHANDISE	0	7,153	0	
Total: 9. ACCOUNTS & NOTES RECEIVABLE - NET		0	271,409	0	
25					
26					
27					

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60					

11. TOTAL INVESTMENTS	686,005	8,258,104	0	
-----------------------	---------	-----------	---	--

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

7a - Part II. Loan Guarantees/Part III. Ratio

Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1	Not applicable		0	0	
2			0	0	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
TOTALS			0	0	
TOTAL (included Loan Guarantees only)			0	0	

Ratio of Investments and Loan Guarantees to Utility Plant [Total of Included Investments (Part I, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form 7, Part C, Line 3)]

0.5 %

FINANCIAL AND STATISTICAL REPORT

AZ0014

PERIOD ENDED

12/2002

INSTRUCTIONS-See RUS Bulletin 1717B-2

7a - Part IV. Loans

Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1	Employees, Officers, Directors		0	0	
2	Energy Resource Conservation Loans		0	296,026	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
11			0	0	
12			0	0	
13			0	0	
14			0	0	
15			0	0	
TOTALS			0	296,026	